

FOR IMMEDIATE RELEASE

ZeaChem Celebrates Groundbreaking of Biorefinery in Boardman, Oregon

Facility Will Begin to Produce Cellulosic Ethanol in 2011

Lakewood, Colo. – June 2, 2010 – ZeaChem Inc., a developer of biorefineries for the conversion of renewable biomass into sustainable fuels and chemicals, held a groundbreaking ceremony today for its 250,000 gallon-per-year biorefinery in Boardman, Oregon. The company will build commercial scale biorefineries upon successful operations at the Boardman facility.

The plant will initially use ZeaChem's core technology, which has been validated by a number of third party vendors, to produce ethyl acetate, a salable chemical intermediate and precursor to cellulosic ethanol. ZeaChem's fermentation technology has been built and tested at Hazen Research facility in Golden, Colorado and numerous industry vendors have validated the additional process units including acetic acid concentration and ethyl acetate production. Using an American Recovery and Reinvestment Act (ARRA) grant from the U.S. Department of Energy (DOE), the company will add the cellulosic ethanol production capability to come online in 2011.

"ZeaChem's biorefinery in Boardman is another example of our effort to attract green companies and advance the development of cellulosic ethanol as a viable renewable energy resource," said Oregon Governor Ted Kulongoski. "Companies like ZeaChem will help drive Oregon's economy in the 21st century as well as move us toward greater energy security and independence."

"Projects like the ZeaChem biorefinery in Boardman will help create jobs in a part of Oregon that badly needs them, while at the same time moving our nation a little closer towards less reliance on fossil fuel, both foreign and domestic," said U.S. Senator Ron Wyden. "What America needs is more renewable energy options to replace the fossil fuels that have proven to be so destructive to the health of our environment. I look forward to biorefineries like ZeaChem's taking their place in our nation's menu of energy solutions."

The Oregon Employment Department calculates that the construction and operation of ZeaChem's Boardman biorefinery will create 292 direct and indirect jobs in Oregon, 167 of which will be located in Morrow County, where Boardman is located.

ZeaChem

“Breaking ground on ZeaChem’s biorefinery in Boardman is a significant milestone,” said Jim Imbler, president and chief executive officer of ZeaChem. “ZeaChem is greatly appreciative of the support from the local, state and federal governments, our investors, project partners and others who have made this possible. As a leader in this industry, ZeaChem is committed to producing economical and sustainable advanced biofuels and bio-based chemicals, creating jobs, and being a good neighbor in the community.”

ZeaChem has a contract with GreenWood Resources (GWR), a Portland-based timberland investment manager, to obtain sustainable hybrid poplar tree feedstock from the nearby farms held under GreenWood Tree Farm Fund, LP. Because the technology is feedstock agnostic, ZeaChem will also process trials of herbaceous crops, agricultural residuals and other renewable biomass resources. ZeaChem’s “grow where you go” strategy locates production facilities with dedicated energy crops to minimize the transportation and logistics costs of cellulosic biofuel and bio-based chemical production. Contracting with GWR eliminates much of the feedstock price risk and ensures continuity of supply. ZeaChem will supplement its dedicated energy crop supply with additional local residuals.

With groundbreaking on the core process in Boardman underway and the future addition of the DOE grant-funded cellulosic ethanol capacity, ZeaChem is on schedule to begin production of cellulosic ethanol in 2011.

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About ZeaChem Inc.

ZeaChem Inc. has developed a cellulose-based biorefinery platform capable of producing advanced fuels and intermediate chemicals. ZeaChem's indirect approach leapfrogs the yield and carbon dioxide (CO₂) problems associated with traditional and cellulosic based biorefinery processes. In addition, ZeaChem has a significant capital cost advantage compared to other cellulosic technologies. By efficiently extracting the most energy possible from biomass feedstocks, ZeaChem significantly increases output while reducing both production costs and environmental impacts. Incorporated in 2002, ZeaChem is headquartered in Lakewood, Colo. and operates a research and development laboratory facility in Menlo Park, Calif.

Please visit www.zeachem.com for more information.

About GreenWood Resources, Inc.

ZeaChem

GWR, founded in 1998, is a global timberland investment management company specializing in the acquisition, development and management of high-yield, short-rotation, sustainable tree farms. GWR specializes in creating value through the integrated deployment of improved plant material and intensive silvicultural management strategies to achieve superior risk-adjusted returns in selected regions of the world. GWR has over 65 professionals with offices and field locations in North America, South America, and Asia (China) and expansion underway in Europe and SE Asia. GWR currently manages \$US 410 of assets or commitments and is committed to certifying its tree farms under the Forest Stewardship Council (FSC). In addition, GWR has been a leader in the research and development of hybrid poplar as one of the key future sustainable feedstocks for bioenergy and biofuels and are leading the way in the development of dedicated energy plantations for strategic converting technology partners.

Please visit www.greenwoodresources.com for more information.

Press Contact:

Joey Marquart
A&R Edelman
650-762-2987
joey.marquart@edelman.com